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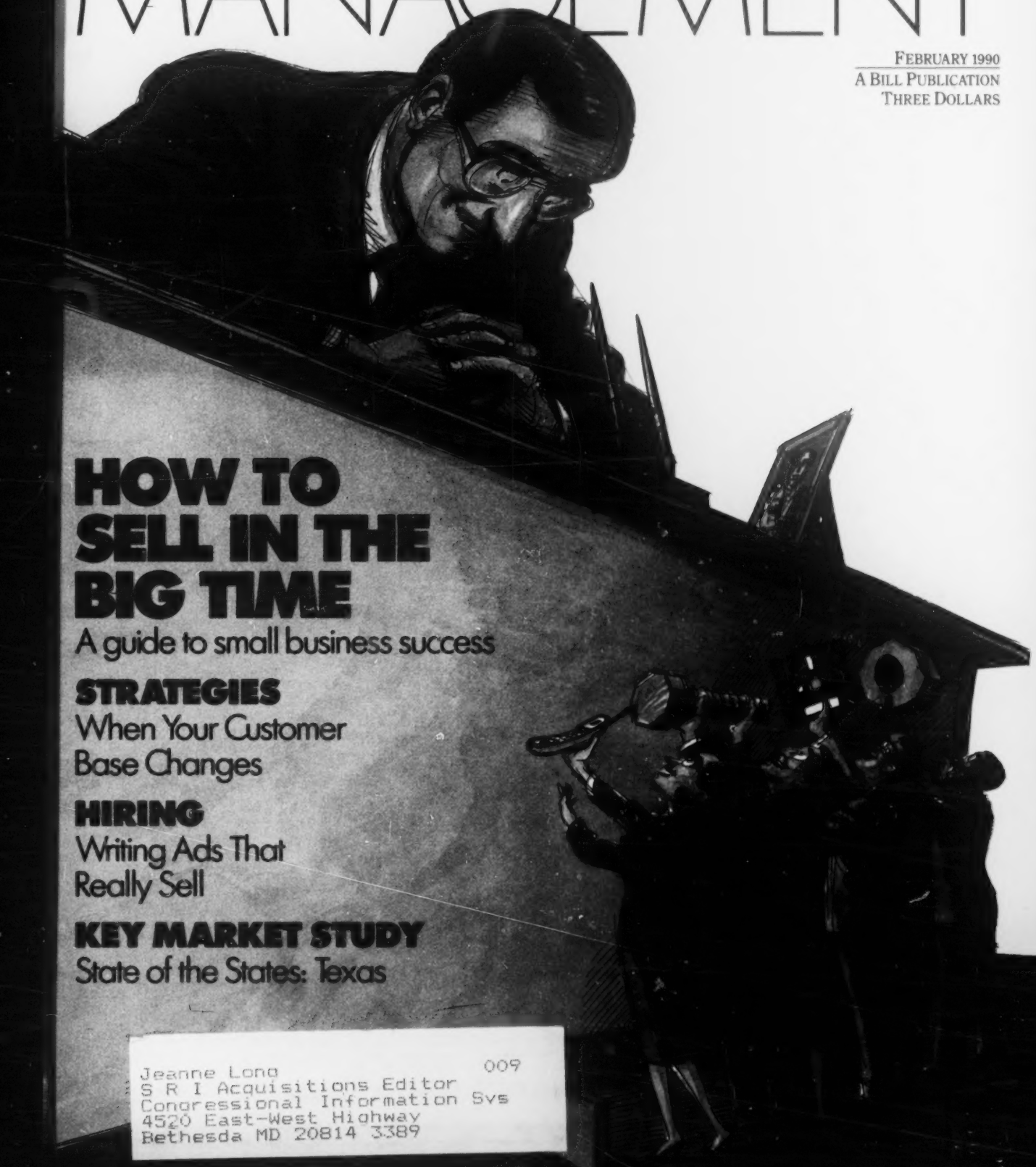

HOW TO SELL IN THE BIG TIME

A guide to small business success

STRATEGIES
When Your Customer Base Changes

HIRING
Writing Ads That Really Sell

KEY MARKET STUDY
State of the States: Texas

009
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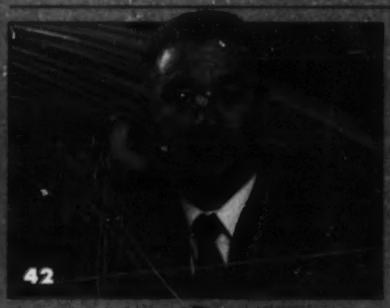

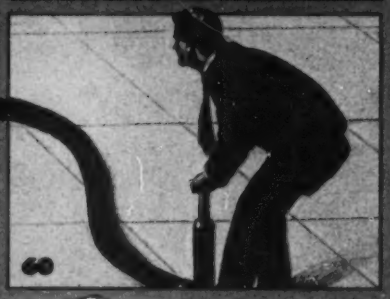

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SALES & MARKETING MANAGEMENT

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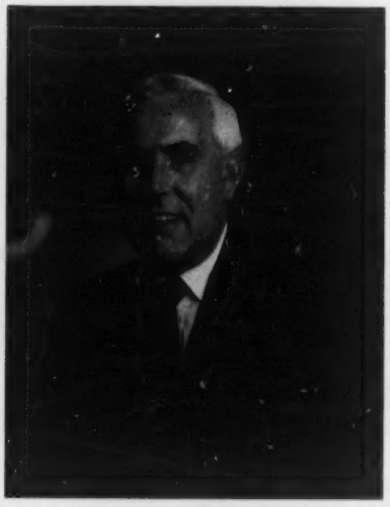
ABP

PUBLISHER'S SIDE POCKET

THE $95 BILLION CARROT



About one-third of our readers are managers at relatively small businesses. For those of you laboring for companies generating sales in the low millions, this "small business" label applies to you.

But don't be disturbed by the moniker. There are *14 million* of you out there. In fact, in the words of the inimitable singer Bobby McFerrin, "don't worry, be happy." Your day has come. The opportunities to dramatically improve your sales position have never been better. How, you may ask. By zeroing in on selling America's 1000 largest corporations.

It's a $95 billion market and growing dramatically. It's also one that today purchases from only 1% of the small businesses in America, while our federal government continues to demand that these large corporations must include an increasing number of small businesses as their vendors. (See the series of articles on Small Businesses starting on page 42.)

The carrot is dangling, and you've never been closer to it. I know that historically many of you have been frustrated in your attempt to seize a share of this market because of the time it takes to gain a Fortune 1000 contract. Breaking through the bureaucratic hierarchy, filing the necessary applications, passing qualifying inspections, and isolating the right contacts at these giant companies have all been stumbling blocks in the past. Your ambitious dreams were shattered after experiencing one letdown after another.

But today is not yesterday. Today you have all kinds of help. The big guys are looking harder than ever before to do business with you. They need and are actively seeking reliable suppliers. They've set up business offices to recruit small business vendors, and large company participation at procurement trade shows has been expanded dramatically.

The Small Business Administration, along with state bureaus and local universities, finances organizations that counsel small businesses in their quest to hit the jackpot with "big business." All at no cost to you in most cases. Specialized industry consultants are readily available to do the same.

I hope you're ready to take another run for the carrot. Here's an oversimplification of what it takes: a quality product that people need, is competitively priced, and, perhaps most important, one that is backed by dependable service—especially delivery. To produce this quality product, you need to do your homework so that you will be able to provide new ideas that will ultimately improve your potential customer's product or service.

All this is easier said than done. Yes, it takes hard work, but the reward can be truly significant—like a GM or GE contract, which is surely a worthwhile bite of the carrot.

Also appearing in this issue are the winners of our Business Executives' Dining Awards (page 80), given to restaurants that our readers think demonstrate overall excellence. John F. Mariani, food writer for *USA Today* and author of the *Coast-to-Coast Dining Guide*, once again shares his thoughts about dining in America and tells us what his personal favorites are. This gold key directory has been invaluable to our business travelers for the last 16 years, so have fun sampling all the selections—but watch your calories!

Howard Neibart

STATE OF THE STATES: TEXAS

As you might expect, the Lone Star State is one of the biggest markets in the nation. But the biggest story of all may just be the state's Texas-sized appetite.

Texas. Just the mention of the name conjures up images of wide open spaces, panoramas of dust and desert, mesas and valleys, and boomtowns built on the fortunes of cattle, oil, and land that stretches as far as the eye can see. Texas is the Alamo. Texas is Sam Houston. Texas is oil. The Lone Star State. The yellow rose. Where everything is bigger, better, and more beautiful. This Texas is the Texas of movie and myth, the place where the buffalo roam and the skies are not cloudy all day.

Lately, however, another Texas has emerged to take its place beside the state described above, a Texas of glass and steel, hi-tech manufacturing, the oil crisis, savings and loans, and high unemployment. This is the Texas of Houston, George Bush, and T. Boone Pickens. The Texas of *Dallas*, J.R. Ewing, and *Urban Cowboy*.

For marketers, these two very different states present something of a dilemma, leaving most wondering where one Texas leaves off and the other begins. The simple truth is that today's Texas is all of these things—and a whole lot more. In spite of the fact that it can no longer lay claim to being America's biggest state, Texas still boasts a number of outstanding characteristics that make it one of the "biggest" markets in the U.S., particularly to those interested in Hispanics, young people, and some of the nation's hottest growth markets.

Here's just a sampling of the stellar statistics that continue to make Texas a top-priority state for marketers from all over the map:

■ Even though Texas is the third-largest state in total population, it boasts the second-largest Hispanic population. In fact, of the 10 U.S. markets with the highest percentages of Hispanic residents, 6 are in the Lone Star State. For marketers looking to cash in on the tremendous growth this segment has experienced over the last decade, these figures are particularly enticing, since the state's 4.2 million Hispanics represent more than 20% of the entire U.S. Hispanic population of 19.7 million.

■ For those interested in tapping into the nation's youth market, Texas is one of the best places to be, since it ranks second in the number of residents aged 0-11, 18-24, and 25-34—a combined segment of more than 8.3 million. Texas is also home to 7 of the 25 markets with the lowest median ages in the nation, making it the sixth youngest state overall.

■ In terms of growth, Texas is projected to post an 8.4% gain in population between 1988 and 1993, making it the seventh fastest-growing state. In addition, a total of 5 Texas metros are on the list of the top 25 fastest-growing markets in the nation.

■ One area where Texas really "cooks" is in the sale of food, both in food stores and supermarkets. Due in part to the state's larger-than-average household size, Texas metros make up 8 of the top 25 markets in per-household food store sales and 10 of the top 25 in supermarket sales. In fact, the top three spots in both categories are held down by Laredo, Odessa, and Midland, respectively.

★ EL PASO

■ Last year, average per-household food store sales in Texas totaled $4,196, some $460 above the U.S. average. Also, the state's per-household supermarket sales of $4,031 were nearly $500 higher than those for the nation as a whole. As for other areas of retail sales, Texas ranks second in the nation in General Merchandise and Automotive Dealer sales, and also in Supermarket, Department Store, and Building Material & Hardware Store sales. To those who sell their products through any of these channels of distribution, this should come as good

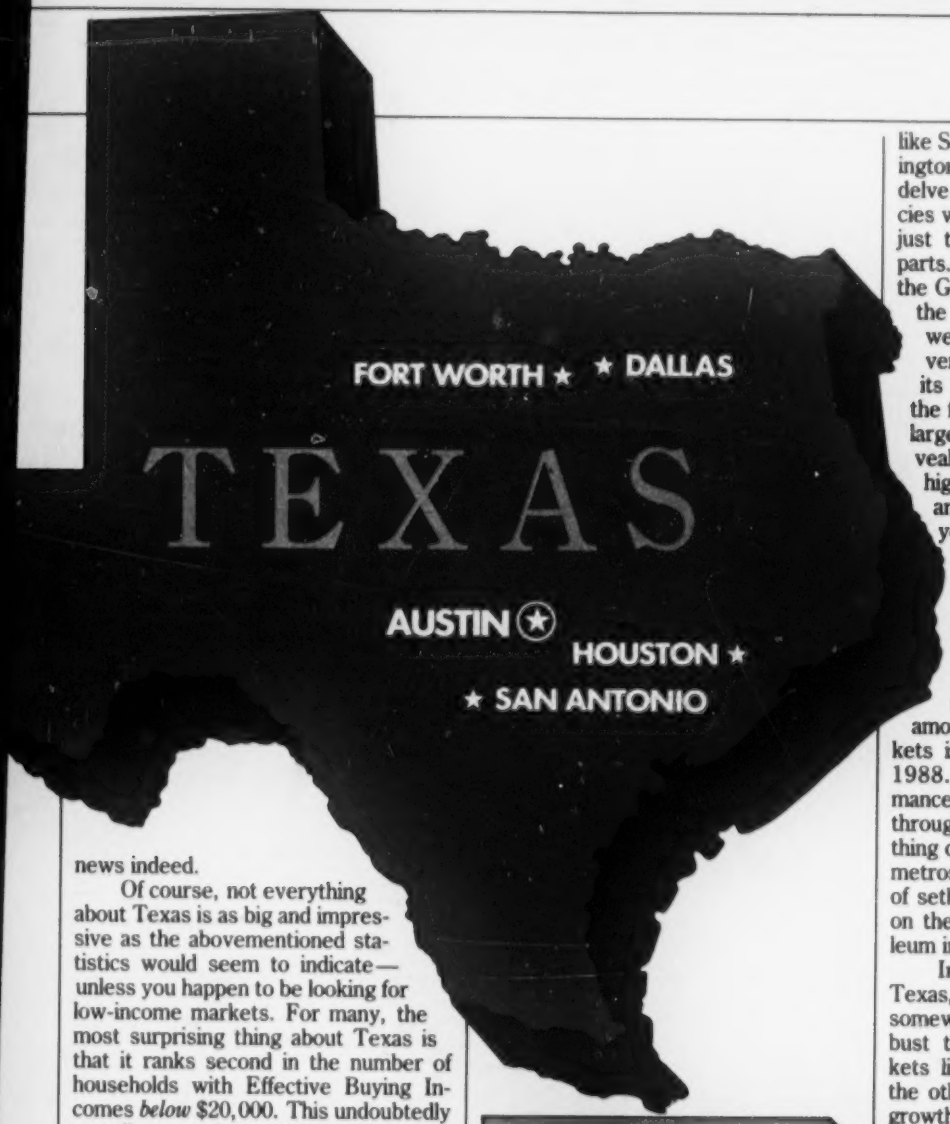
TEXAS GROWTH STATISTICS

	TOTAL POPULATION	TOTAL HOUSEHOLDS	TOTAL EBI ($000)	AVERAGE HSHLD. EBI	TOTAL RETAIL SALES ($000)
1970:	11,406,600	3,509,600	$34,309,519	$9,776	$19,279,604
1980:	14,474,800	5,063,100	$115,020,555	$22,717	$70,030,240
1988:	16,918,900	6,047,900	$184,097,002	$30,440	$109,396,504
1993:	18,347,700	6,692,200	$290,765,861	$43,448	$161,016,085

SALES COSTS IN MAJOR TEXAS METROS

METRO	AVERAGE DAILY COST: 3 MEALS	LODGING	AUTO RENTAL	TAX RATES: MEALS	LODGING
AUSTIN	$33.23	$ 86.63	$38.96	8.0%	11.0%
DALLAS	41.55	108.31	41.84	8.0	13.0
EL PASO	35.71	93.00	45.22	6.25	13.0
FORT WORTH-ARLINGTON	33.45	97.63	40.36	7.0	11.0
HOUSTON	37.65	103.52	43.20	8.0	14.0
SAN ANTONIO	37.81	101.07	39.22	7.5	13.0
6-MARKET AVERAGE	**$36.57**	**$ 98.36**	**$41.47**	**N.A.**	**N.A.**

SOURCE: Sales & Marketing Management; *1990 Survey of Selling Costs.*



news indeed.

Of course, not everything about Texas is as big and impressive as the abovementioned statistics would seem to indicate—unless you happen to be looking for low-income markets. For many, the most surprising thing about Texas is that it ranks second in the number of households with Effective Buying Incomes *below* $20,000. This undoubtedly contributes to its 32nd-place ranking in statewide median household EBI, which at $22,539 is nearly $2,000 lower than the comparable U.S. figure of $24,488. And although part of this income outcome can be attributed to the state's lower cost of living—particularly in smaller metros and rural areas—marketers who regard disposable dollars as one of the most important indicators of market potential can't help but be concerned with numbers such as these when it comes time to make a decision on whether to sell their products in any of the 28 metropolitan areas or more than 250 counties in the Lone Star State.

In light of which, we think it's only fair to mention that Texas continues to rank third in the number of households with incomes of $50,000—$75,000, as well as fifth in households with incomes *above* $75,000. Regardless of whether the state or its individual metro areas can compete with the humongous household incomes posted by markets like San Jose, Nassau-Suffolk, or Washington, DC, those who take the time to delve into its many marketing intricacies will find Texas to be far more than just the sum of its various statistical parts. From the coastal lowlands along the Gulf of Mexico to the high plains of the panhandle to the Pecos in the west and southwest, Texas is as diverse in its demographics as it is in its topography. As proof, we offer the following profiles of the state's six largest metropolitan areas, which reveal an eclectic mix of old and new, high income and low, boom and bust, and just about any other extremes you might imagine in a state with as many different identities as this one.

VITAL STATISTICS

POPULATION
Total: 16,918,900
Male: 8,316,000
Female: 8,602,900
Black: 2,146,100
Hispanic: 4,191,900
Median Age: 30.9
Households: 6,047,900

EFFECTIVE BUYING INCOME
Total: $184,097,002,000
Median Household: $22,539

RETAIL SALES ($000)
Total: $109,396,504
Per-Household: $18,088
Apparel: $5,825,992
Automotive: $26,203,445
Drugstore: $2,846,499
Eating & Drinking: $9,984,461
Food: $25,379,239
General Merchandise: $12,937,240

BUYING POWER INDEX
.3730

AUSTIN

Of the six Texas metro areas with populations of 500,000 or more, only Austin ranked among the 10 fastest-growing markets in the nation between 1980 and 1988. This stellar, top-10 performance—projected to continue at least through 1993—has made Austin something of an anomaly among other Texas metros, which have suffered their share of setbacks due to an overdependence on the state's wildly fluctuating petroleum industry.

In its position as the capital of Texas, Austin was able to insulate itself somewhat from the cycle of boom and bust that plagued oil-dependent markets like Houston and Galveston. On the other hand, the city's late-eighties growth rates of 10% and 12% a year created problems of a different sort—not so much oil-related as office-related.

According to M. Ray Perryman, professor of economics at Baylor Univ. in Waco, Austin's runaway population growth brought with it a deluge of development, with office buildings, apartments, and retail space cropping up like mushrooms in a cow pasture. "We saw some of the most aggressive development in the history of mankind," says Perryman. "The overbuilding was absolutely unbelievable."

By 1988, the building boom had gotten completely out of hand, to the point where *Forbes* awarded Austin the dubious title of "worst real estate market in the nation." With rental rates for apartments and office space dropping by 20%-30% between 1985 and 1987, one of the few bright spots in this otherwise gloomy picture was Austin's sales of building materials and hardware, which at just over $400 million ranked the metro area 40th in the nation against a

CHAMBER OF COMMERCE:
512-478-9383
Convention & Visitors Bureau:
512-478-0098

Population: 746,100
Households: 286,800
Black: 72,800
Hispanic: 157,800
Median Age: 29.3
Total EBI: $9,041,474,000
Median Hshld. EBI: $22,977
Retail Sales: $4,893,532,000
Buying Power Index: .2972

population rank of only 66th last year.

Despite the many growing pains it has experienced over the last few years, Austin continues to be one of the most popular cities in Texas. And with a recent influx of hi-tech industry, things are looking up for this area once again. Aside from its demographic and economic appeal, Austin's natural beauty—combined with its reputation as the music capital of the state—makes it something of a mecca for out-of-towners, regularly attracting visitors from as far away as Houston and San Antonio.

In addition to the stability provided by Austin's government-and-service-based economy, the city is home to a number of colleges and universities, which further bolster the area's income and employment statistics. And with voters recently giving their approval for a new convention center, 1992 will see Austin with 125,000 sq. ft. of exhibit space and facilities for meetings of up to 7,000 participants.

DALLAS

Until 1983, when the Census Bureau officially separated Dallas-Fort Worth into the Dallas and Fort Worth-Arlington metro areas, D/FW laid claim to the much-sought-after title of "Biggest Metro in Texas."

Naturally, being the biggest in a state where bigness counts for so much

CHAMBER OF COMMERCE:
214-746-6600
Convention & Visitors Bureau:
214-746-6677

Population: 2,476,200
Households: 934,800
Black: 411,500
Hispanic: 283,100
Median Age: 31.0
Total EBI: $33,436,603,000
Median Hshld. EBI: $26,963
Retail Sales: $18,838,067,000
Buying Power Index: 1.0901

afforded Dallas a certain amount of prestige, even though it had to share this honor with neighboring Fort Worth and Arlington. And despite the fact that they are now technically considered two different markets, the ties that once bound these metros are still very much in evidence, particularly when it comes to things like advertising, marketing, and promotion. For example, a recent ad from the Arlington Convention & Visitors Bureau offered the following incentive to meeting planners: "Buy 1 City—Get 2 Free."

A difficult offer to refuse, to be sure, but these days Dallas is more concerned with establishing its own identity—one entirely apart from Fort Worth and Arlington—and part of this involves overcoming the image of Dallas as an oil town populated by ruthless modern-day business moguls like the famed J.R. Ewing. According to Sally Riha, director of national business development with the Dallas Partnership, the success of *Dallas*, the TV series, has been something of a blessing—and a curse—for Dallas, the city.

"People in other parts of the country still seem to have a 'Southfork' mentality," she says. "The TV series has been a double-edged sword for the area. On the one hand, we couldn't have paid for the tremendous exposure we got from that program; on the other, it has tagged the area with an oil-based identity that does not exist. Only one percent of our total employment is oil related. Once you show [people] all the facts and figures, they say, 'Hey, you really are doing okay.'"

To further establish itself as a separate entity from Fort Worth-Arlington, Dallas might also point up the fact that its median household income has actually benefited from the metro-area separation, since it currently ranks 69th in the nation compared with Fort Worth-Arlington's 87th. And while this may not seem all that impressive for the nation's 12th-largest metro area, Dallas still ranks well ahead of other high-profile markets like New York, Miami, and its neighbor to the south: Houston. In addition, Dallas's median household EBI of $26,963 is the highest of any of the six Texas metros profiled here, as is its number of households with incomes of $75,000 or more.

And just where is all this money being spent, you ask? Well, Dallas takes great pride in pointing out that it has more restaurants and shopping centers per capita than virtually any other city its size, and retail sales in food stores, eating and drinking places, general merchandise stores, and automotive dealers all regularly top $1 billion annually. Any way you cut it, that's a lot of spending, and this, coupled with a five-year building boom that has dramatically altered both the downtown skyline and the surrounding suburbs, has made the Dallas of today scarcely recognizable to those who haven't visited the city in recent years.

In terms of meeting and convention space, this building boom has added a hefty amount of square footage to the Dallas Convention Center, upping exhibit space there to 600,000 sq. ft. In addition, the Dallas Apparel Mart (110,946 sq. ft.), Infomart (245,896 sq. ft.), and Market Hall (202,600 sq. ft.) offer space for medium and large-scale gatherings, and, coupled with more than 38,000 hotel rooms, Dallas can easily handle any size event, from small meetings all the way up to major get-togethers like the Texas State Fair, one of the nation's largest—naturally.

EL PASO

The thing that sets El Paso apart from other Texas metros is not so much its demographics as its geographics. El Paso's close proximity to Juarez—Mexico's fourth-largest city—offers marketers a combined population of well over 1 million, together forming

CHAMBER OF COMMERCE:
915-534-0500
Convention & Visitors Bureau:
915-534-0696

Population: 579,700
Households: 174,100
Black: 24,000
Hispanic: 403,800
Median Age: 27.9
Total EBI: $4,585,152,000
Median Hshld. EBI: $18,606
Retail Sales: $2,687,880,000
Buying Power Index: .1708

the largest twin-cities along the U.S.-Mexico border. In addition, the small but rapidly-growing metro of Las Cruces, N.M., located a 45-minute drive away, makes this westernmost piece of Texas a favorite location for both foreign and domestic firms attracted by the area's sizable young labor force, as well as its lower wages and prices.

"We are an international city on the move," says El Paso's mayor Suzanne Azar. "[Our] strategic location, technical expertise, strong growth, and local industrial support—coupled with a strong commitment from the local business community—create an environment that's full of opportunity."

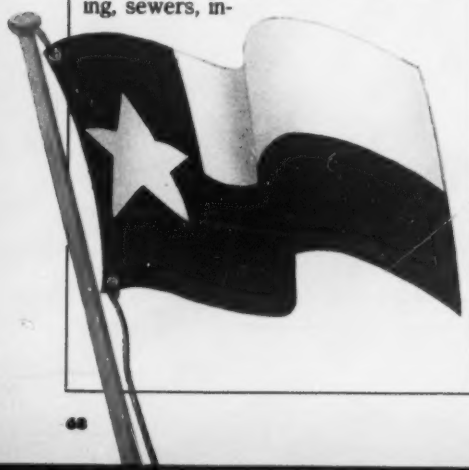
Azar's description of El Paso as

"the gateway to Mexico" is appropriate, since the free flow of residents and workers between the two cities creates a unique mix of demographic and socioeconomic factors. First among these is El Paso's median age, which at 27.9 years (compared with a U.S. figure of 32.8) makes it the youngest major-league Texas market by far, with only 3 of the state's 28 metros posting a lower median age. In addition, El Paso's average household size of 3.33 persons places it well above both the state average of 2.80 and the U.S. average of 2.69.

On the ethnic side, El Paso's Hispanic population of 403,800 comprises a whopping 69.7% of the metro total, the fourth highest ratio of any of the nation's 319 metro areas and the highest of the six markets profiled here. In spite of this remarkable figure, however, El Paso has fewer Hispanics overall than either San Antonio or Houston, although it still outranks Fort Worth, Austin, and Dallas when it comes to this vital market segment.

The downside of this rather sizable ethnic lure is El Paso's household income, which at just $18,606 ranks 296th nationwide. This presents marketers with something of a dilemma, since it leaves little in the way of disposable income for purchases of retail goods—witnessed by the fact that El Paso sits well down in the rankings of per-household retail sales (273rd), as well as in retail sales for most major store groups.

At this point, those in charge of El Paso's development continue to search for ways to better its lot economically, although with Fort Bliss and White Sands Missile Range contributing more than $82 million a year to the local retail economy, a solid base for growth and expansion already exists here. Last year alone, military payrolls in the metro exceeded $460 million, and when combined with recent improvements to El Paso's infrastructure—roads, housing, sewers, industrial parks, colleges, technical training, etc.—the future of this one-time Rio Grande border town looks very bright indeed.



FORT WORTH-ARLINGTON

Although the ties that once bound Fort Worth and Dallas have technically been broken, the relationship between these two markets continues, even though there's a lot about Fort Worth-Arlington that sets it apart statistically from its neighbor to the east.

CHAMBER OF COMMERCE:
817-336-2491/817-275-2613
Convention & Visitors Bureau:
817-336-8791/817-265-7721

Population: 1,277,800
Households: 473,800
Black: 141,400
Hispanic: 117,000
Median Age: 31.8
Total EBI: $15,869,921,000
Median Hshld. EBI: $26,198
Retail Sales: $8,874,670,000
Buying Power Index: .5242

"We hold a 50% interest in Fort Worth/Dallas," says David Ivory, Fort Worth's senior assistant city manager, "and we're doing our share to help the Metroplex grow." In spite of this collective boosterism, however, Ivory makes it clear where he'd like this growth to take place. "We may catch or even pass Dallas over the next ten years," he says prophetically.

If Ivory's prediction does come to pass, it may largely be due to Fort Worth's role as a center of aircraft manufacturing, an industry that last year generated more than $4 billion worth of shipments in Tarrant County (the core of the Fort Worth-Arlington metro area and home to the bustling D/FW International Airport), which works out to an impressive 11.4% share of all U.S. shipments in this industry.

From the standpoint of attracting new business to the FW-A area, these numbers should be more than enough to turn the heads of marketers and manufacturers looking for new areas of opportunity. On the other hand, there are still those who would prefer that Dallas and Fort Worth remain as one, particularly when it comes to things statistical since their combined clout is far more impressive than it would be individually. Given their proximity, this kind of cooperative arrangement is unavoidable, but if FW-A is to truly stand on its own in the eyes of marketers, a way must be found to promote it as a separate-but-equal partner to nearby Dallas.

One way to do this might be to stress Fort Worth-Arlington's status as a growth market, since its 19th-place ranking in projected population growth between 1988 and 1993 makes it one of only five Texas metros on the list of the nation's 25 fastest-growing markets. Also, FW-A's median age of 31.8 is the oldest of any major Texas metro, while its median household income of $26,198 ranks third behind Dallas's $26,963 and Houston's $26,279.

In an effort to promote itself as a viable market in its own right, Fort Worth-Arlington has also been concentrating on building its meeting and convention business, with the Tarrant County Convention Center (185,000 sq. ft.) and the Arlington Convention Center (48,600 sq. ft.) both offering first-rate facilities for small and medium-sized events. Coupled with this, the metro area offers more than 10,000 hotel rooms spread out between Fort Worth, Arlington, and nearby Irvine, more than enough space for meeting-goers, convention attendees, or businesspeople in search of accommodations that allow them easy access to any or all of these interlocking markets.

HOUSTON

What can you say about Houston that hasn't already been covered in a hundred other publications? In just over a decade, this metro area has gone from boomtown to ghost town to town-on-the-rebound, with the nation's business press dutifully reporting every growing pain, vacancy rate, and monthly unemployment statistic. Throughout, longtime Houston residents have been content to watch quietly from the sidelines, viewing the whole thing with a kind of detached bemusement. This is because they know that come hell or high water, Houston is still the best city in Texas.

Or at least the biggest. Since 1983, when Dallas and Fort Worth were broken up by the Census Bureau, Houston

CHAMBER OF COMMERCE:
713-651-1313
Convention & Visitors Bureau:
713-523-5050/800-231-7799

Population: 3,197,100
Households: 1,176,600
Black: 630,200
Hispanic: 601,200
Median Age: 30.0
Total EBI: $39,657,436,000
Median Hshld. EBI: $26,279
Retail Sales: $23,194,911,000
Buying Power Index: 1.3299

has held the distinction of being the Lone Star State's largest metro area. With a total population of nearly 3.2 million, Houston provides a wide array of opportunities for marketers targeting virtually every type of consumer. More than 600,000 blacks and an equal number of Hispanics make this a diverse market both racially and ethnically, while Houston's retail sales figures show it to be a top-10 market in just about every store-group category.

Despite what you may have heard about Houston's recent economic troubles, things have started to turn around, and according to local developers like The Horne Company's B. Kelley Parker, now is the time to get into Houston—while prices are still low and space is readily available.

"I think companies should be making plans to secure properties in the next six months," says Parker, "before prices—both in the rental and sales markets—increase to levels that will begin to support new construction."

On the consumer side, Houston's median household income still ranks it ahead of other major markets like New York, Pittsburgh, Miami, and Phoenix, and with a projected 1988-93 growth rate of 7.1%, Houston's prospects continue to look good—although not quite as bright as they did back in 1984, when S&MM projected an eye-popping 1983-88 growth rate of 18.5%.

A large part of Houston's resurgence can be traced to the aggressiveness of its Convention & Visitors Bureau, which was instrumental in posting an 8% increase in metro-area convention business between 1987 and 1988. In addition, the opening of the George R. Brown Convention Center in 1987 gave Houston a much-needed boost in attracting large-scale meetings and conventions and currently offers a total of 470,500 sq. ft. of exhibit space within walking distance of more than 3,500 downtown hotel rooms.

SAN ANTONIO

Home of the Alamo, the most sacred patriotic shrine in the state, San Antonio remains a place where the Texas of the past—the wide open spaces, dusty heat, history, and Mexican-American culture—is still very much a part of the present—at least on the surface.

If you scratch that surface, however, you'll find a very different San Antonio—a cool, shaded underground city of picturesque canals, upscale boutiques, restaurants, shops, and beautifully landscaped gardens. This is San Antonio's Riverwalk, or Paseo del Rio,

MAJOR TEXAS INDUSTRIES

According to county-level Standard Industrial Classification (SIC) data provided to S&MM by Dun's Marketing Services, a total of 34 industries in eight Texas counties generated more than $1 billion in shipments or receipts in 1988. In addition, there were 10 industries in six different counties that accounted for more than 10% of the total U.S. output in their particular 4-digit SIC category.

Listed below, by county, are the 34 "billion-dollar" industries, along with their corresponding shipments/receipts dollar totals. The next list shows the 10 Texas industries with county concentrations of 10% or more, as well as their home counties and "% of all U.S. shipments/receipts" figures.

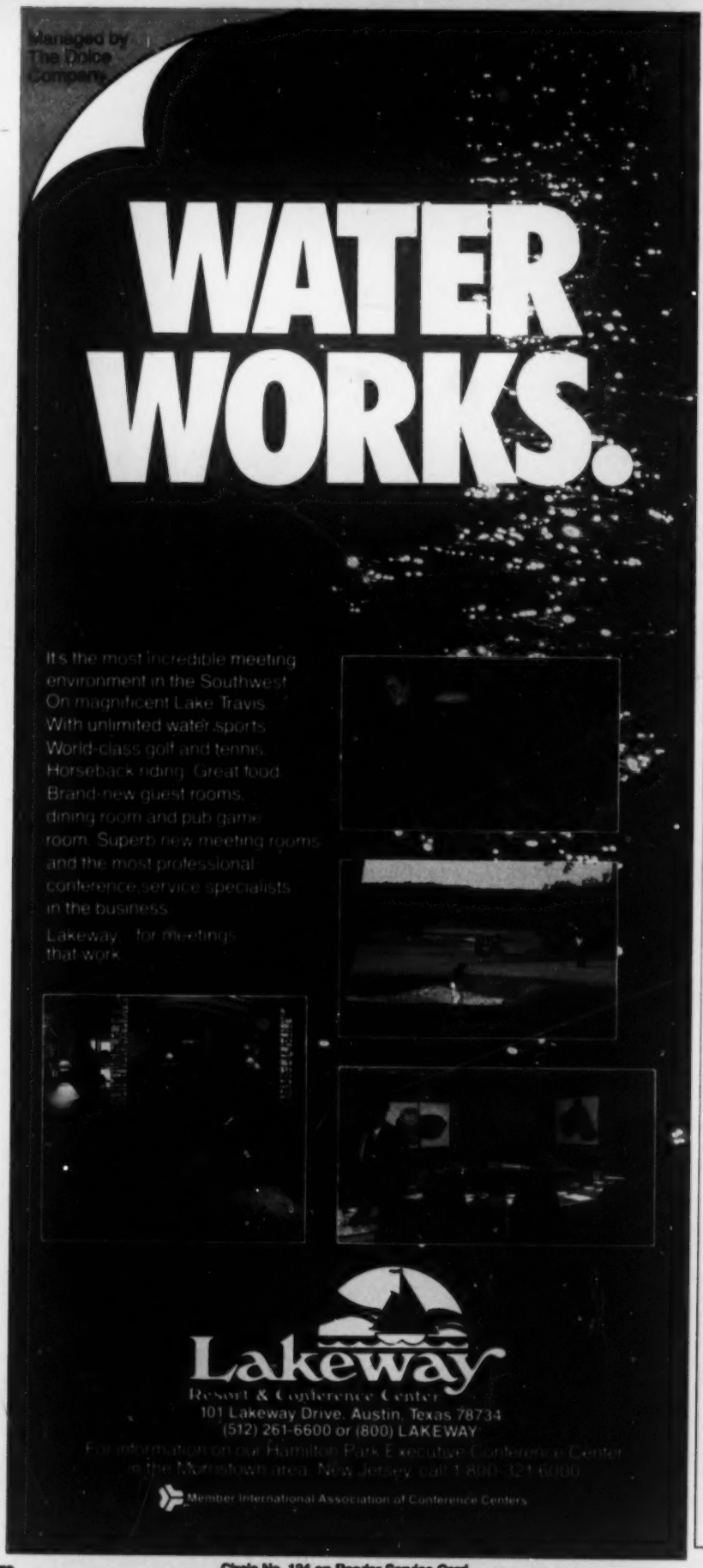
BILLION-DOLLAR COUNTIES

COUNTY	SIC	INDUSTRY	SHIP./RECPT. ($ BIL.)
Brazoria	2819	Industrial inorganic chemicals	$1.081
	2869	Industrial organic chemicals	1.749
Colorado	2911	Petroleum refining	2.193
Dallas	3663	Radio & TV communication equip.	1.644
	3674	Semiconductors & related devices	1.285
	3721	Aircraft manufacturing	1.330
	4512	Scheduled air transportation	2.071
	4911	Electric services	1.269
	6021	National commercial banks	1.486
	6311	Life insurance	1.291
	6531	Real estate agents & managers	1.210
	6552	Land subdividers & developers	1.025
	8062	Gen. medical & surgical hospitals	1.233
	8111	Legal services	1.022
	8211	Elementary & secondary schools	1.168
Galveston	2911	Petroleum refining	1.844
Harris	2819	Industrial inorganic chemicals	1.050
	2821	Plastic materials & resins	1.082
	2869	Industrial organic chemicals	1.032
	2911	Petroleum refining	10.024
	3533	Oil & gas field machinery	1.175
	4813	Telephone communications	1.716
	4911	Electric services	1.300
	4922	Natural gas transmission	3.076
	4923	Natural gas transmission & dist.	2.075
	6021	National commercial banks	2.205
	8062	Gen. medical & surgical hospitals	2.267
	8111	Legal services	1.262
	8211	Elementary & secondary schools	1.894
	8711	Engineering services	1.610
Jefferson	2911	Petroleum refining	5.175
Potter	2011	Meat packing plants	1.189
Tarrant	3711	Motor veh. & pass. car bodies	1.118
	3721	Aircraft manufacturing	4.054

COUNTY-LEVEL CONCENTRATIONS

SIC	INDUSTRY	COUNTY	% OF U.S. SHIP./RECPT.
2822	Synthetic rubber manufacturing	Jefferson	13.6%
2911	Petroleum refining	Harris	10.3
3482	Small arms ammunition	Bowie	14.7
3483	Misc. ammunition manufacturing	Dallas	10.8
3533	Oil & gas field machinery	Harris	30.8
3721	Aircraft manufacturing	Tarrant	11.4
4922	Natural gas transmission	Harris	28.8
4923	Natural gas transmission & dist.	Harris	17.7
4953	Refuse systems	Harris	10.1
6159	Misc. business credit institutions	Lubbock	11.8

SOURCE: Dun's Marketing Services; *1989 Business Statistics Report.*



AWARD-WINNING HOTELS AND RESTAURANTS

Since 1985, *Sales & Marketing Management* has handed out a total of 13 Business Executives' Dining Awards to the seven Texas restaurants listed below. These awards are based on the votes of our readers nationwide, who selected these dining spots as their favorite places for entertaining clients and customers in the Lone Star State.

In addition, S&MM's sister publication, *Successful Meetings*, offers its annual Pinnacle Awards for hotels and meeting facilities, with a total of 10 Texas hotels receiving this prestigious designation since 1985.

RESTAURANTS

Brennan's: Houston
Cattleman's Steak House: Fort Worth
The French Room (Adolphus Hotel): Dallas
The Mansion on Turtle Creek: Dallas
Old San Francisco Steak House: San Antonio
Old Warsaw: Dallas
Ruth's Chris Steak House: Dallas

HOTELS

The Adolphus Hotel: Dallas
***AMFAC Hotel & Resort:** Dallas
Fairmont Hotel: Dallas
Hilton Palacios Del Rio Hotel: San Antonio
Hyatt Regency: Dallas
Loews Anatole Hotel: Dallas
La Maison Del Rio: San Antonio
Registry Hotel: Dallas
San Antonio Marriott Riverwalk: San Antonio
Westin Galleria and Westin Oaks: Houston

***This property is now called the Hyatt Regency DFW.**

and to the uninitiated, the presence of these two vastly different cities—one literally on top of the other—makes for a startling sense of contrast.

This same duality extends to other areas of the metro area as well, since San Antonio's relatively small population of 1.3 million includes more than 667,000 Hispanics, making it the fifth-largest Hispanic market in the nation behind such major ethnic strongholds as Los Angeles, New York, Miami, and Chicago.

As an indication of just how amazing a statistic this is, consider that fourth-place Chicago, with a population of 6.2 million, is larger than San Antonio by nearly 5 million people, which puts this metro in some pretty prestigious company when it comes to targeting the Hispanic market.

Like most other Texas markets, San Antonio's income figures are not nearly as impressive as some of its

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other statistics. With a median household income of $21,316, San Antonio ranks 224th out of 319 U.S. metros, and this lower-than-average income takes its toll on retail spending, with San Antonio's ranking in per-household retail sales an equally low 209th.

On the other hand, San Antonio's per-household sales in certain store groups—notably food stores and supermarkets—are very impressive indeed, with the metro ranking 35th and 28th, respectively, in the nation. With the exception of certain smaller Texas metros that make the top 50 lists in these two categories, San Antonio is the only large-scale Lone Star market to post such impressive numbers, with 1988 per-household food store sales totaling $4,664.71 and per-household supermarket sales clocking in at $4,520.02.

In terms of growth, San Antonio's 19.5% population gain between 1980 and 1988 places it third behind other major markets like Austin and Fort Worth-Arlington, and when combined with projected growth figures through 1993, this metro area will post a population increase of nearly 30% in less than a decade and a half.

CHAMBER OF COMMERCE:
512-229-2100
Convention & Visitors Bureau:
512-270-8700

Population: 1,298,200
Households: 442,200
Black: 95,900
Hispanic: 667,000
Median Age: 30.4
Total EBI: $12,947,065,000
Median Hshld. EBI: $21,316
Retail Sales: $7,467,182,000
Buying Power Index: .4529

As for meeting and convention space, construction of a domed, mixed-use facility that will seat 65,000 and offer 160,000 sq. ft. of exhibit space has recently been given the go-ahead by San Antonio residents, and when combined with the Henry B. Gonzales Convention Center (241,000 sq. ft.), this should give the city the much-needed space to handle large-scale meetings and other events. In addition, the recently completed Marriott Rivercenter has added 1,000 rooms to San Antonio's already considerable hotel space (currently well over 5,000 rooms). Coupled with the city's unique mixture of history and hi-tech, this makes for a market of equal interest to longtime residents, new arrivals, or those interested in any of the myriad marketing opportunities San Antonio offers. □

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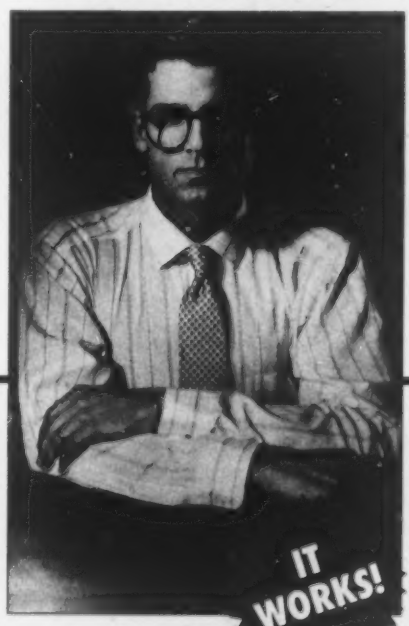

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